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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/603,390	06/23/2000	August Hochenberger	P/3331-132	1103

7590

10/01/2002

Steven I. Weisburd, Esq.  
Dickstein Shapiro Morin & Oshinsky LLP  
1177 Avenue of the Americas  
41st Floor  
New York, NY 10036-2714

EXAMINER

WASYLCHAK, STEVEN R

ART UNIT

PAPER NUMBER

3624

DATE MAILED: 10/01/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

*seg # 12 a, b, c to disk. taking over*  
*(trade over*  
*fig 1, 2 etc*  
*+ add bi-dir*  
*arrows where*  
*applicable*  
*fig 1, 2, 3, 4*  
*elim 15, 20*  
*from last fig*

**Office Action Summary**

Application N .

09/603,390

Applicant(s)

HOCHENBERGER ET AL.

Examiner

Steven R. Wasylchak

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 14 August 2002.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-33 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-33 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_ 6) ☐ Other: \_\_\_\_\_

DETAILED ACTION

Response to Amendment

***Claim Rejections - 35 USC § 102***

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 1-4, 9-11, 16-33 are rejected under 35 U.S.C. 102(b) as being anticipated by Togher et al (US 5,375,055).

As per claim 1,

An anonymous trading system for trading fungible instruments between traders;  
comprising:

- a communications network for transmitting electronic messages; / fig 1, 5
- a plurality of order input devices connected to the communications network each for generating electronic price quotation messages received from others of said plurality of order input devices over the network; / fig 1, 5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54
- at least one matching engine connected to the network for matching orders input into the system from the order input devices and for executing deals where orders are matched; / fig 1, 5; col 5, L 47-54 .

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-market distribution means connected to the network for distributing price quotation messages order input devices, the market distribution means being responsive to the price quotation messages and the matching engine; / fig 1

*amend*  
-credit limit storage means for storing credit limits available for trades between each trader or groups of traders and possible counterpart traders or groups of trades; / abstract; col 1, L 29-48d; col 2, L 3-11, 22-31

-means for identifying to each of the parties, an executed deal the counterpart to the deal; / col 1, L 23-39; col 2, L 57-70

*S* -mean for offering to the identified counterpart a further trade at the same price as the executed deal; and / col 2, L 38-47

*OK* -means for executing the further trade irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place. / col 2, L 28-47, 57-69; col 3, L 1-34

As per claim 2,

An anonymous dealing system according to claim 1, wherein the means for executing the further trade includes means for checking the credit limits between the carries and means for raising the credit limits extended by each party to the other by the amount of the further trade. / abstract; col 1, L 1-5; col 2, L 28-47, 57-69; col 3, L 1-34

As per claim 3,

An anonymous trading system according to claim 2, wherein the means for checking the credit limits includes means for storing the total assigned credit, the total utilized credit

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and the total available credit and the means for raising the credit limits and comprises means for raising the total credit assigned to the counterpart and utilized credit by the amount of the further trade. / col 2, L 28-47, 57-69; col 3, L 1-34

As per claim 4,

An anonymous trading system according to claim 1, wherein the means for executing the further trade comprises means for suppressing the checking for available credit between the parties during deal execution. / col 3, L 1-21

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As per claim 9,

An anonymous trading system according to claim 1, wherein said matching engine and said market distribution means together form a single broking node of the communications network, the network comprising a plurality of broking nodes and the means for offering a further trade comprises means for sending a further trade request message from the trader terminal to an originating broking node and from the originating broking node to the counter party broking node and from the counter party broking node to the counter party dealer terminal. / fig 1, 5

As per claim 10,

An electronic trading system comprising:

-means for matching anonymous bids and offers entered into the system by counter parties and for executing matched bids and offers to complete a deal, the deal execution means comprising means for checking the matched deal against stored limits of bilateral credit between the counter parties and means for preventing deal execution if one or both parties has insufficient credit, the deal execution means further identifying

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the counter parties to each other on completion of the deal; / abstract; fig 1,5; col 1, L 23-48; col 2, L 3-11, 22-47, 57-70; col 3, L 1-44

-means for permitting a party to an executed deal to offer or request a further deal with the counter party to the executed deal at the same price, the further deal means including means for adjusting the counter parties credits limits with one another by an amount equal to the value of the deal. / abstract; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47, 57-69; col 3, L 1-34

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As per claim 11,

An electronic trading system according to claim 10, wherein the stored limits of bilateral credit include the assigned credit limit, the amount of credit utilized and the amount of credit available and the means for adjusting the counter party credit limits adjusts the assigned credit and the utilized credit by the same amount. / abstract; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47, 57-69; col 3, L 1-34

103 As per claim 16. (Amended) An anonymous trading system for trading assets between traders, the system comprising:

a communications network; / fig 1, 5

representing the counter trading

a plurality of order input terminals coupled to the communications network, each order input terminal communicates with a respective trader and generates electronic order messages in response thereto; and / fig 1,5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54

the communications network including at least one broker node coupled to a plurality of the order input terminals, the broker node executes anonymous deals between at least some of the traders based on bilateral credit between those traders,

Variation on counter trading  
OR suggests a system

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the broker node further effectuates a first trade between a first and second trader, notifies the first and second trader of the respective identities of their counterparties, and, thereafter, when requested by at least one of the first and second traders, the broker node effectuates a second trade between the first and second traders without regard to the bilateral credit between the first and second traders./ col 2, L 22-47, 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34

As per claim 17. (Amended)

An method for trading assets between traders in an anonymous trading system, the system comprising a communications network, a plurality of order input terminals coupled to the communications network, each order input terminal effective to communicate with a respective trader and to generate electronic order messages in response thereto, the communications network including at least one broker node coupled to a plurality of the order input terminals, each of the broker nodes being effective to execute deals between at least some of the traders based on bilateral credit between respective traders; the method comprising:/ col 2, L 22-47, 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34

effectuating a first trade between a first and a second trader when the bilateral credit between the first and second traders <sup>2</sup>allow; fig 1, 5; col 5, L 47-54

notifying the first and second trader of the respective identities of their counterparties; and thereafter,/ abstract; col 1, L 29-48; col 2, L 3-11, 22-31

when requested by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders./ col 2, L 28-47, 57-69; col 3, L 1-34

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As per claim (New) 18.

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A method for trading in an anonymous trading network, the method comprising:

performing an anonymous trade over the anonymous trading network between  
a first and second party;/ fig 1, 5; col 5, L 47-54

identifying the first and second party to each other;/ fig 1, 5; col 1, L 23-29; col  
3, L 34-44; col 5, L 46-54

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permitting the first and second party to perform a conversational trade using the  
anonymous trading network./ fig 1, 5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54

As per claim 19.

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(Amended) A method of trading in an anonymous trading system, the method  
comprising:

performing a first trade between a first and a second trader based on bilateral credit  
limits;/ abstract; col 1, L 1-5; col 2, L 28-47, 57-69; col 3, L 1-34

performing a second trade between the first and the second trader through the  
anonymous trading system without regard to the credit limits./ abstract; col 1, L 1-5; col  
2, L 28-47, 57-69; col 3, L 1-34

Cross

As per claim 20. (New)

The anonymous trading system as recited in claim 16, wherein: the first trade is  
based on bilateral credit between the first and second trader; and the second trade  
requires credit greater than that allowed by the bilateral credit./ abstract; col 1, L 29-  
48; col 2, L 3-11, 22-47; col 2, L 28-47, 57-69; col 3, L 1-34

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As per claim 21. (New)

The anonymous trading system as recited in claim 20, wherein the second trade does not affect the bilateral credit of the first trade./ col 2, L 38-47, 57-69; col 3, L 1-34

As per claim 22. (New)

The anonymous trading ~~system~~ as recited in claim 16, wherein the second trade is for trading the assets at substantially the same price as the first trade./ col 2, L 38-47

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As per claim 23. (New)

The ~~method~~ as recited in claim 17, wherein: the first trade is based on bilateral credit between the first and second trader; and the second trade requires credit greater than that allowed by the bilateral credit./ abstract; col 1, L 29-48; col 2, L 3-11, 22-47; col 2, L 28-47, 57-69; col 3, L 1-34

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As per claim 24. (New)

The ~~method~~ as recited in claim 23, wherein the second trade does not affect the bilateral credit of the first trade./ col 2, L 38-47, 57-69; col 3, L 1-34

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As per claim 25. (New)

The method as recited in claim 24, wherein the second trade is for trading the assets at substantially the same price as the first trade./ col 2, L 38-47

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As per claim 26. (New)

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An anonymous trading system for trading assets between traders, the system comprising:

a communications network;/ fig 1, 5

a plurality of order input terminals coupled to the communications network, each order input terminal communicates with a respective trader and generates electronic order messages in response thereto; and/ fig 1,5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54

the communications network including a broker node coupled to a plurality of the order input terminals, and at least one matching engine coupled to the broker node, the broker node and matching engine execute anonymous deals between at least some of the traders based on bilateral credit between such traders, the broker node and matching engine further effectuate a first trade between a first and second trader, notify the first and second trader of the respective identities of their counter parties, and, thereafter, when requested by at least one of the first and second traders, the broker node and matching engine effectuate a second trade between the first and second traders without regard to the bilateral credit between the first and second traders./ col 2, L 22-47, 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34

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As per claim 27. (New)

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The anonymous trading system as recited in claim 26, wherein:

the first trade is based on bilateral credit between the first and second trader; and the second trade requires credit greater than that allowed by the bilateral credit./ abstract;

col 1, L 29-48; col 2, L 3-11, 22-47; col 2, L 28-47, 57-69; col 3, L 1-34

As per claim 28.

(New) The anonymous trading system as recited in claim 27, wherein the second trade does not affect the bilateral credit of the first trade./ col 2, L 38-47, 57-69; col 3, L 1-34

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As per claim 29. (New)

The anonymous trading system as recited in claim 26, wherein the second trade is for trading the assets at substantially the same price as the first trade./ col 2, L 38-47

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As per claim 30.

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An method for trading assets between traders in an anonymous trading system, the system comprising a communications network, a plurality of order input terminals coupled to the communications network, each order input terminal effective to communicate with a respective trader and to generate electronic order messages in response thereto, the communications network including at least one broker node

coupled to a plurality of the order input terminals and at least one matching engine coupled to the broker terminal;

the broker terminal and matching engine being effective to execute deals between the traders based on bilateral credit between respective traders; the method comprising:

effectuating a first trade between a first and a second trader when the bilateral credit between the first and second traders allow;

notifying the first and second trader of the respective identities of their counter parties; and thereafter,

when requested by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders./ **all above:** col 2, L 22-47, 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34

As per claim 31. (New)

The anonymous trading system as recited in claim 30, wherein:

the first trade is based on bilateral credit between the first and second trader; and the second trade requires credit greater than that allowed by the bilateral credit./ abstract; col 1, L 29-48; col 2, L 3-11, 22-47; col 2, L 28-47, 57-69; col 3, L 1-34

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As per claim 32. (New)

The anonymous trading system as recited in claim 31, wherein the second trade does not affect the bilateral credit of the first trade./ col 2, L 38-47, 57-69; col 3, L 1-34

As per claim 33. (New)

The anonymous trading system as recited in claim 30, wherein the second trade is for trading the assets at substantially the same price as the first trade. / col 2, L 38-47

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

4. Claims 5-8 and 12-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Togher et al (US 5,375,055).

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As per claim 5,

An anonymous trading system according to claim 1, comprising means for permitting a counter party offered a further trade to accept a further trade for less than the proposed amount to the further trade. / col 2, L 38-47; col 4, L 11-20. The reference fails to teach the feature of a further trade for less than the proposed amount.

Official notice is taken that this feature is old and well known in the e-commerce art and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of consummating the transaction and thus obtain at least a partial purchase for possible subsequent gain rather than having to "sit on the sidelines" and miss a buying opportunity.

*cross*

As per claim 6,

An anonymous trading system according to claim 1, comprising means for permitting a counter party offered a further trade to accept the further trade and to propose a still further trade at the same price. / col 2, L 38-47; col 4, L 11-20. The reference fails to teach the feature of a further trade for the same price.

*cross*

Official notice is taken that this feature is old and well known in the e-commerce art and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of consummating a larger transaction and thus obtain a possible greater subsequent gain.

As per claim 7,

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An anonymous trading system according to claim 1, wherein each trader terminal includes a keypad and the means for offering a further trade includes a key on the keypad. / fig 1. The reference fails to teach the feature of a special key.

Official notice is taken that this feature is old and well known in the e-commerce art and / or computer art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of faster trade consummation to beat out a possible competitor.

As per claim 8,

An anonymous trading system according to claim 1, wherein each trader terminal includes a display and the means for offering a further trade includes a soft key on the display. / fig 1. The reference fails to teach the feature of a soft key.

Official notice is taken that this feature is old and well known in the e-commerce art and / or computer art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of faster trade consummation to beat out a possible competitor.

As per claim 12,

An electronic trading system according to claim 10 comprising means at the terminal of a party receiving a request for a further trade for accepting the further request, declining the further request or partially accepting the further request. / abstract; fig 1; col 1, L 1-

*am*

5, 29-48; col 2, L 3-11, 22-47, 57-69; col 3, L 1-34. The reference fails to teach the feature of a further trade.

Official notice is taken that this feature is old and well known in the e-commerce art and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of increased brokerage commissions.

As per claim 13,

An electronic trading system according to claim 12 further comprising means at the terminal of a party receiving a request for a further trade for accepting the further request and proposing a still further request. / abstract; fig 1; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47, 57-69; col 3, L 1-34. The reference fails to teach the feature of a still further trade.

*now*

Official notice is taken that this feature is old and well known in the e-commerce art and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of increased brokerage commissions.

As per claim 14,

An anonymous trading system according to claim 1, comprising a source of credit between the parties to said executed deal external to the anonymous trading system; and means for allocating sufficient credit for the further trade from the external credit source to the credit limits stored within the anonymous trading system. / fig 1, 5; col 2, L

48-57; col 3, L 22-34; col 5, L 40-54; col 6, L 1-5. The reference fails to teach the feature of an external deal.

Official notice is taken that this feature is old and well known in the e-commerce art and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature given that an external source of credit such as a bank is utilized so that an external deal is also a possibility to maximize revenues.

As per claim 15,

An electronic trading system according to claim 10, comprising a source of credit between the parties to an executed deal external to the electronic trading system; and means allocating sufficient credit for the further credit from the external credit source to the credit limits stored within the electronic trading system, whereby the credit check during deal execution will not prevent completion of the deal. / fig 1, 5; col 2, L 48-57; col 3, L 22-34; col 5, L 40-54; col 6, L 1-5. The reference fails to teach the feature of an external deal with a credit check during deal execution not stopping the transaction.

Official notice is taken that this feature is old and well known in the e-commerce art and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature given that an external source of credit such as a bank is utilized so that an external deal is also a possibility to maximize revenues with a post-transaction credit check being an option.

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This action is **NON-FINAL**. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Steven R. Wasylichak whose telephone number is (703) 308-2848. The examiner can normally be reached on Monday-Friday from 7:00 a.m. to 6:00 p.m. EST. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1065. The fax number for Art Unit 3624 is (703) 305-7687. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Steven Wasylichak

9/28/02



VINCENT MILLIN  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600